

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY, CALIFORNIA
AND RECORD OF ACTION**

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May 4, 2004

**FROM: THOMAS R. LAURIN, DIRECTOR
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT**

**SUBJECT: REQUEST FOR PROPOSAL FOR PROJECTS TO PROCESS AND UTILIZE
WOOD BIOMASS MATERIALS**

RECOMMENDATION: Approve issuance of Request for Proposal (RFP) to solicit projects for the processing and utilization of the wood biomass materials resulting from fuels reduction activities in the drought stricken San Bernardino County Mountain areas.

BACKGROUND INFORMATION: The Bark Beetle infestation in our mountain forest areas has created an immense fire hazard. Various fuel reduction programs and projects are underway directing resources toward the removal of the dead and dying trees. The massive amount of timber being removed from the mountain fire hazard areas has created a unique opportunity to develop public/private partnerships that aid in the processing of the wood biomass, bringing value to the otherwise infested wood.

On April 27, 2004 the Board of Supervisors approved acceptance of a United States Department of Agriculture (USDA) Forest Service grant award in the amount of \$3,357,240 that sets aside \$2.5 million to assist projects that increase the economic value of the removed trees using existing and proven technologies and can be implemented in a timely manner. Funding options to be considered by the County include loans and/or subsidies to those projects selected.

This Request for Proposal (RFP) has been developed in order to solicit projects for funding consideration and provides the basic information necessary for submittal of a project proposal detailing what can be funded and the evaluation process. The RFP will be advertised through a list of interested parties, industry associations, newspapers, and on the County's Internet site. A mandatory pre-proposal conference will be held on Monday, May 24, 2004 at 9:00 a.m. and the proposals are due to the County by Monday, June 14, 2004, at 4:00 p.m.

Any contracts proposed for projects that have been recommended for funding and that are deemed eligible by the San Bernardino County Sub-Group on Tree Mortality Grants will be brought before the Board for consideration and approval on a project-by-project basis.

REVIEW AND APPROVAL BY OTHERS: This item has been reviewed and approved by Deputy County Counsel, Michelle D. Blakemore (909-387-5455) on April 22, 2004, and the County Administrative Office, Patricia M. Cole, Administrative Analyst III (909-387-5346) on April 25, 2004.

Record of Action of the Board of Supervisors

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FINANCIAL IMPACT: The issuance of the RFP has minimal financial impact and administrative costs will be reimbursed to the County from the grant funds. The amount of the revolving loan fund will be \$2.5 million, all of which is from the USDA Forest Service grant and will be included in the department's FY 2004/05 budget (SBQ/ECD). There is no match by the County required for these funds, and interest generated from any loans made shall be reinvested into the grant program.

COST REDUCTION REVIEW: The County Administrative Office has reviewed this agenda item and concurs with the department's proposal and recommends this action. This activity is fully funded by USDA Forest Service grant funds and requires no match from the County. There is no impact to the County's general fund.

SUPERVISORIAL DISTRICT(S): 1st, 2nd, and 3rd.

PRESENTER: Thomas R. Laurin, Director, 388-0808.